

SEA 448

How it will work

- Creates a **new tool** for Indiana's economic development toolbox.
by adding a new section 44 to IC 6-1.1-10
- Defines qualified "enterprise class IT equipment" (includes generators and other equipment used to ensure uninterrupted power in the definition) ¹:
 - Servers
 - Storage Devices
 - Networking Equipment (routers, wiring)
 - IT Racking
 - Computer Room Air Conditioning Unit
 - Air Handling Unit
 - Power Delivery Systems
 - Uninterruptible Power Supply Unit
 - Power Distribution Unit
- Only **qualified** businesses are eligible to receive an exemption on investment made after July 1, 2009. Business activities that perform digital information management (data processing, data storage, and communications networking) include¹:
 - Financial Services
 - Life Sciences
 - Nanotechnology
 - Media
 - Insurance
 - Education
 - Government
- Types of data centers include²:
 - Server Closet – Less than 200sf/1-2 servers
 - Server Room – Less than 500sf/a few to dozens of servers
 - Localized Data Center – Less 1,000sf/dozens to hundreds of servers
 - Mid-Tier Data Center – Less than 5,000sf/hundreds of servers
 - Enterprise-Class Data Center – More than 5,000sf/hundreds to thousands of servers
- Single-user workstations, desktop computers and/or laptop computers are not eligible for the exemption.
- Business activities that are not eligible include:
 - Call Centers
 - Back Office Operations
 - Customer Service Operations
 - Credit/Claims Processing Operations
- Requires a minimum capital investment of \$10,000,000. This includes all investment but only the IT equipment will be exempt after July 1, 2009.
- Requires local government to pass a declaratory resolution establishing length of exemption and penalties, if any.
- Includes a sunset date of 2013 (exemptions awarded before that date are grandfathered in and remain in effect).
- Provides for transfer of ownership of a facility and its equipment.

¹Environmental Protection Agency, P.L. 109-431

²Lawrence Berkley National Laboratory, Technical Best Practices for Data Center Energy Management; Environment Protection Agency, IT Equipment and Site Infrastructure System Characteristics by Space Type (Pg. 37, Table 2.1)